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DEPARTMENT OF STATE

AIRGRAM

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A-374 NO. CONFIDENTIAL CLASSIFICATION PRIORITY HANDLING INDICATOR

TO : DEPARTMENT OF STATE

SEP 14 1962

FROM : Amembassy MOSCOW DATE: September 14, 1962

SUBJECT : JOINT WEEKA NO. 37

REF :

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FILED SEP 27 1962

DEPARTMENT OF STATE A/CDC/MR

REVIEWED BY [illegible] DATE 2/23/83

RDS☐or XDS☐EXT. DATE

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Drafted by: POL:ADubs;KBJenkins;RTDavies;KSMathun; Contents and Classification Approved by:
ARMY:Col Urban;AIR:Col Scotti;cs POL:BHKosson

Clearances:
JMMcSweeney

POLITICAL - EXTERNAL

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1. Cuba

On September 11 the Soviet Government issued a lengthy statement in the form of a TASS declaration devoted primarily to the situation in Cuba. The declaration criticized the President's request for standby authority to call up reservists and defended Soviet military and economic assistance to CASTRO. The declaration was strident in tone, almost hysterical at points, and was permeated with a Khrushchevian flavor. The statement was perhaps most remarkable for the glaring distortions of fact it included. It: insisted that the President's request for call-up authority constituted mobilization; characterized Soviet support for Castro as selfless aid to the struggling Cuban people suffering under US attempts to blockade the island; contended that the US refuses to ship even foodstuffs and medicines to Cuba; and charged, in a section designed to place American policy toward Cuba within a context of world-wide aggression, that U-2's are maintained in Japan, as well as in Turkey, England, and Germany. Cuba's situation was compared to the early years of Soviet power and foreign attempts to overthrow Bolshevism through intervention.

The declaration obviously was designed to bring an increase in tension and at least temporarily to divert attention from Berlin. However, the declaration also conforms to the usual Soviet practice of agitation prior to UN General Assembly meetings, adheres to the standard Soviet aim to frighten and divide US Allies, and serves to set up a straw man which could enable the Soviet Union to claim that its "timely warning" once again had prevented US aggression.

Follow-up material in the press took the form of editorials, cartoons and reports of world reaction praising the Soviet declaration. This material is apparently designed to exploit the sympathy of the Soviet people for "little Cuba threatened by the Northern giant" and contrasts the defensive nature of Soviet assistance to Cuba with the allegedly aggressive US base system which rings the Soviet Union. (LIMITED OFFICIAL USE)

2. Berlin/Germany

The most significant Berlin development during the week appeared in the TASS declaration on Cuba which referred to US elections in November and stated that the USSR is prepared to take account of the effect of this event on US ability to negotiate on Berlin. The TASS declaration thus introduced a hazy time element into the Soviet Berlin position for the first time since the 1961 deadline was dropped at the XXII Party Congress in October.

Sporadic press items appeared which repeated Soviet complaints about provocations in West Berlin and US troop convoys using the Berlin autobahn.

General DE GAULLE's trip to Germany attracted heavy press criticism which concentrated on "nuclear collusion" between Bonn and Paris. The commentaries also once again revealed Soviet sensitivity to Western demands for self-determination in Germany. (LIMITED OFFICIAL USE)

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☆GPO: 1961 O-612212(52)

3. U-2 Incidents

After a day of heavy commentary condemning the nine-minute flight of an American U-2 over Sakhalin, the Soviet press turned suddenly silent on the incident. A Soviet diplomat offered as an explanation that the Soviet Government was satisfied with the rapid explanation given by the US. Incidental references to the U-2 flight are again being made, however, in the current propaganda campaign dealing with Cuba, with the flight being mentioned as another example of alleged US aggressive intentions.

The flight of a Nationalist Chinese U-2 plane over Communist China has been treated in a relatively low key, i.e., through news despatches and without separate commentary. Izvestiya's New York correspondent, however, sought to point up US collusion in the affair by noting that the State Department had approved an export license for two U-2 planes for Nationalist China and that the US was receiving information from the flights made over Communist China. (OFFICIAL USE ONLY)

4. Soviet-Yugoslav Relations

A favorable evaluation of Yugoslav foreign policy recently appeared in the weekly Soviet journal Novoye Vremya. The article was seen as a prelude to the forthcoming visit of Soviet President BREZHNEV to Yugoslavia and as a gesture aimed at the improvement of relations between the two countries. The article commented favorably on Yugoslav attitudes toward peaceful coexistence, complete and general disarmament, nuclear testing, and the idea of making the Balkans and the Adriatic an atom and rocket-free zone. Greatest praise, however, was reserved for the Yugoslav position, holding that the existence of two German states is a fact which should be recognized. In touching on Yugoslavia's relations with the US, the article commented that Belgrade feels that though it does not agree with Washington on many international issues, this need be no obstacle to normal friendly relations. The article added that though there were, formally, no political strings attached to the extension of US credits and economic aid, US rulers actually hoped to deprive Yugoslavia of some measure of freedom in foreign policy. (OFFICIAL USE ONLY)

5. Outer Mongolia

According to a Pravda report, the Central Committee of Outer Mongolia's Communist Party removed D. TUMUR-OCHIR from the Politburo, Party Secretariat and the Central Committee because of anti-Party activities. D. Tumur-Ochir was elevated to full membership in the Politburo as recently as January 1962 and has generally been closely associated with Communist Party leader TSEDENBAL. Although Tumur-Ochir was assumed to be pro-Soviet in his orientation, the resolution condemning his activities hinted that he may have intrigued with the Communist Chinese to advance his aims. In view of Tsedenbal's advancing age and ailing health, it is conceivable that a power struggle may now be taking place and that forces within the Politburo may have felt themselves threatened by Tumur-Ochir's maneuvers to strengthen his position within the Party hierarchy. (OFFICIAL USE ONLY)

POLITICAL - INTERNAL

6. Leadership

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KOZLOV continued to dominate the domestic-political scene in Moscow, while KHRUSHCHEV continued his vacation at Pitsunda.

On September 8, the "Second Secretary" received the Rumanian Ambassador, N. GUINE, "at the latter's request," and was handed a film depicting Khrushchev's visit to Rumania in June. That night, Kozlov, accompanied by SHVERNIK and DEMICHEV, attended the Bulgarian national-day reception and replied to the Bulgarian Ambassador's toast. Kozlov's continuing intercourse with ambassadors--he received the CPR Ambassador last week--gives him something of a "governmental" aura, whereas during the past two years his activities have been more uniformly "Party."

The fourth volume of "The History of the Great Fatherland War of the Soviet Union--1941-1945," which went on sale in Moscow this week, contains a marked decrease in Khrushchev-cult material by comparison with Volume III, which was placed on sale shortly before the XXII Congress of the CPSU last October. Khrushchev's name appears only 15 times in Volume IV, as against 41 times in Volume III, and his military functions are noted in modest fashion, while Volume III ascribed to him the authorship of the plans for the battles of Stalingrad and Kursk and for the partisan campaign behind the German lines in the Ukraine. The names of his proteges A. I. KIRICHENKO and Brezhnev, which appeared in Volume III, do not recur in Volume IV.

Down at Gagra, the First Secretary was as busy as usual. He received Robert FROST on September 7, with A. A. SURKOV, Secretary of the USSR Union of Writers, in attendance. Surkov used the occasion to get Khrushchev's ear and obtain permission for the publication of a volume of PASTERNAK's poetry, which may include the poems from "Doctor Zhivago," and for the publication of further installments of Ilya EHRENBURG's memoirs, thus scoring a couple of advances for the literary liberals.

On September 11, Khrushchev received West German Ambassador KROLL, for a farewell visit, and had the Ambassador, Frau Kroll, and MIKOYAN to supper. On September 12, he received the Saudi Arabian UN representative Ahmed SHUKAIRY.

Other names in the news were those of:

-- Brezhnev, who received the East German Ambassador, Rudolf DOELLING, on September 10; attended a concert given on September 12 by the visiting Croatian choral group "Lado"; and received Shukairy on September 13.

-- KOSYGIN, who received the Belgian M. P. (and brother of the Belgian Ambassador in Washington) Raymond SCHEYVEN on September 10, and was at the airport on September 13 to greet the Austrian Vice-Chancellor, Bruno PITTERMANN.

-- KUUSINEN, who saw Luigo LONGO off at the airport on September 7.

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-- A. P. KIRILENKO, whose travels in Bulgaria were duly noted in the Soviet press. (LIMITED OFFICIAL USE)

7. Nadezhda Zaglada, the Kolkhoznik's Conscience

On September 13, the Soviet press chronicled the death of Yevdokiya Viktorovna VINOGRADOVA, a textile-industry Stakhanovite of the 1930's. Even before her death, however, a new figure had taken her place in the pantheon of Soviet labor heroes--that of 69-year-old Nadezhda Grigoryevna ZAGLADA, a collective-farm brigade-leader from Zhitomir Oblast in the Ukraine (Embassy's A-377, September 14, 1962).

Pravda, on August 25, reprinted a letter from Zaglada, originally published in July in Pravda Ukrainy, the substance of which was that no advanced experience and technology would help increase agricultural production if workers were not interested in applying them wholeheartedly. She contrasted the difference between the attention given by farmers to their private plots and their indifferent attitude towards collective-farm fields and called upon the workers to take their consciences with them to the socialized acres and not leave them at home on their own plots.

Zaglada's letter has since been widely reprinted and has been the subject of numerous publicized resolutions. As a makeshift agitprop substitute for an increased supply of agricultural machinery and artificial fertilizers and for real incentives for collective farmers, it promises to have little, if any, effect upon the performance of Soviet agricultural workers. Meanwhile, it has taken much of the shine off the old, standard slogan of increasing production by bringing advanced techniques to the land. (UNCLASSIFIED)

8. Continued Concern About Crime

Although press accounts of severe sentences have not been frequent in the past several weeks, there are indications that the regime is still preoccupied with the problem of stamping out crime. The most recent press report of a death sentence for economic crime that has come to the attention of the Embassy was published three weeks ago, when Sovetskaya kultura (August 23) announced that I. P. SHTIVZIN and B. Ye. MIRSKY had been sentenced to be shot for their part in a 500,000-ruble swindle in a state publishing house in Kiev. Leningradskaya pravda (August 30) published the story of a hooliganistic bus driver, B. KULESHOV, who, under the influence of alcohol, ran over and killed five persons and who was sentenced to be shot for his crime.

A plenum of the Supreme Court of the RSFSR, as reported by Pravda on September 12, approved a resolution noting that "judicial organs of the Republic have recently increased the struggle against hooliganism" and calling upon the courts to continue the "determined struggle" in this respect. The Pravda report made no mention of economic crime.

At a gathering of the Estonian Republic's Party aktiv in Tallin on September 7, as reported by Sovetskaya Estoniya the next day, attention was given economic

crimes, hooliganism, and juvenile delinquency. The Deputy Prosecutor of the Republic, K. KIMMEL, told the gathering that official inspectors and auditors sometimes prefer "not to carry the dirt out of the hut" and that for this reason it is necessary to have a "single, outside, audit-control organ," which would be able to cope with any task. Among those who participated in the Tallin meeting were N. R. MIRONOV, chief of the Administrative Organs Section of the CC-CPSU, and a "Comrade ZHOGIN," identified as a Deputy Procurator General of the USSR.

Meanwhile, efforts continue to improve the public image of the police. Most newspapers ran biographies of the old Chekist, Feliks DZERZHINSKY, on September 11, in commemoration of the 85th anniversary of his birth--a departure from the usual custom of observing such anniversaries in terms of even decades. Comparison of the current commemorative articles with those of 1957 (his 80th birth anniversary) suggests that one of the purposes of printing them may have been to picture Dzerzhinsky as possessing great humanitarian qualities, which were said to have included a love for children and magnanimity toward subordinates. He was also depicted as a devoted follower of the Leninist "general line" of the Communist Party, in implied contrast to the post-1953 image of BERIYA.

Finally, in conformity with a change of nomenclature pioneered by the RSFSR (Embassy's A-336, September 7), the Turkmen SSR now also has a "MOOP" rather than an MVD. The new designation, Ministry of the Maintenance of Public Order (Ministerstvo okhrany obshchestvennogo poryadka), was announced in a decree of September 10 (Turkmenskaya iskra, September 11). (UNCLASSIFIED)

MILITARY

ARMY

1. Release and Call-up of Soviet Servicemen

The Soviet newspaper Red Star on September 8 published Ministry of Defense order 227 which releases all servicemen who have completed their legal term of service and orders the 1943 age group to active service.

[redacted]

2. Celebration of Soviet Tank Day

The Soviet Army celebrated Soviet Tank Day on September 9, 1962. Marshal of Armored Troops M. E. KATUKOV stated in Red Star that the future war would inevitably be nuclear and that the decisive role would be played by rocket troops. However, he indicated the final and decisive victory could only be achieved by coordinated efforts of all branches of the service within which the tank troops have a leading role in exploiting the results of nuclear strikes. General of the

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that they might nevertheless be able to submit a proposal acceptable to the United States Government, although they would expect that the United States would in turn give sympathetic consideration to an Italian proposal in some other field. They suggested that abandonment by the United States of the proposal in paragraph 2, Article XXII, with regard to most-favored-nation treatment as to the coasting trade, would be appropriate.

They stated that their proposal incorporated the principle of distinguishing between investments in dollars and investments in local currency in making provision for the withdrawal of compensation for expropriated property. They said that investments made by American citizens prior to December 8, 1934 would be presumed to have been made in dollars, and compensation therefor would be transferable. Investments made after that date, they said, would have to be classified as "transferable" or "non-transferable" according to certain criteria. These criteria were outlined in the following memorandum which was submitted by the Italian delegation:

A proposito dell'Art. V del Trattato, il quale stabilisce il diritto dei cittadini degli S.U.A. ad ottenere in dollari il compenso per i beni eventualmente espropriati, si propone di precisare che questo diritto spetta soltanto a coloro che hanno acquistato tali beni con pagamento in valuta estera o in lire italiane provenienti dal cambio di valuta estera.

Mentre per l'avvenire il criterio puo essere di facile applicazione, e stato giustamente osservato che in molti casi la prova dell'acquisto con valuta estera puo riuscire difficile.

Ora la prova, nella maggior parte dei casi, potra agevolmente darsi trattandosi di operazioni che avvengono normalmente per il tramite di una banca o di un agente di cambio.

Tuttavia, nei casi in cui la prova non potra essere raggiunta, si potra ricorrere a criteri presuntivi; che corrispondono ai principi ed all'applicazione delle leggi valutarie italiane:

A) Per i beni (immobili e titoli azionari) acquistati anteriormente al Dicembre 1934 (data di introduzione in Italia delle restrizioni valutarie): pagamento in dollari.

B) Per i beni acquistati dopo il dicembre 1934:
1) Beni immobili: pagamento in dollari solo nei casi in cui il cittadino degli S.U.A. non era, al momento dell'acquisto, residente in Italia.
2) Per i titoli azionari:
a) se sono detenuti legittimamente all'estero: pagamento in dollari.

b) se sono detenuti

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b) se sono detenuti in Italia da un cittadino americano quivi residente: pagamento in lire italiane.

c) se sono depositati in banca:

- pagamento in dollari se si tratta di titoli detenuti in conti liberi (in lire o in dollari).

- pagamento in lire italiane se si tratta di conti intrasferibili o di non riconosciuta pertinenza estera (vedi unito appunto);

PRO MEMORIA

Presso le Banc' italiane esistono le seguenti categorie di conti e deposit. intestati a nominativi degli S.U.A.:

Conti di accertata pertinenza estera ma per i quali non e previsto il trasferimento all'estero delle relative disponibilita

Conti vecchi ordinari	Depositi vecchi ordinari
" " nuovi	= -
" " vecchi di assicurazione	=
" " misti Americhe	=
" " intrasferibili franco valuta	Depositi intrasferibili franco valuta

Conti per i quali non e riconosciuta la pertinenza estera,

Conti indisponibili	Depositi indisponibili
" speciali ordinari	" speciali ordinari
" intrasferibili ordinari	" intrasferibili ordinari

Conti di riconosciuta pertinenza estera per i quali e consentita la trasferibilita all'estero

Conti liberi in divisa)	
)	Depositi liberi
" " " " lire)	

The American negotiators

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Army LELYUSHENKO stressed in the Soviet newspaper Soviet Patriot the receipt of improved tanks and increase in numbers of tanks in motorized rifle and tank divisions. He repeated the statement of Marshal Malinovski, Minister of Defense, that the number of tanks in Soviet contemporary divisions is greater than in mechanized and tank corps during World War II.

In the same paper, Lt. General N. P. KONSTANTINOV, deputy of tank troops, stated role of tank troops is greater in a nuclear war than previously. He noted particularly the resistance of tanks to the effects of nuclear blasts, day and night operational capability and the facility to cross water obstacles. In a comparison with the 47-ton US tank with the 105mm gun (M60), he stated the Soviet medium tanks are superior, significantly lighter, better protected, better armed and more maneuverable. Soviet tanks have a superior capability to kill on the first round. Marshal of Armored Troops P. POLUBOYAROV, Chief of Tank Troops expressed similar ideas in Pravda. (UNCLASSIFIED)

3. Arrival of Syrian and Iraqi Military Delegation in Moscow

Red Star September 14 indicated that military delegations arrived in Moscow via air. The delegation from Syria was headed by the Chief of the General Staff of the Syrian Army Division, General KAMAL NAMEK. The delegation from Iraq was headed by the Assistant Chief of the General Staff of the Iraqi Army, General-Major Ali GALEB AZIZ.

These delegations were met by the first assistant of the Soviet Minister of Defense, Chief of the General Staff of the Soviet Armed Forces, Marshal of the Soviet Union M. V. ZAKHAROV, General-Colonel of Aviation N. P. DAGAEV. (UNCLASSIFIED)

AIR

1. Aeroflot Moscow-Accra Flight

Aeroflot announced the innauguration of a weekly Moscow-Accra flight on September 11, 1962. The IL-18 flight originates in Moscow at 0045 hours on Tuesdays and flies to Accra via Belgrade and Conakry. (UNCLASSIFIED)

For the Chargé d'Affaires ad interim

Boris H. Klosson
Counselor for Political Affairs

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The nationals, corporations and associations of either High Contracting Party shall be permitted to acquire, own and dispose of real and other immovable property or interests therein within the territories of the other High Contracting Party upon the following terms:

A) In the case of nationals, corporations and associations of the Italian Republic, the right to acquire, own and dispose of such property or interests shall be dependent upon the laws and regulations which are or may hereafter be in force within the state, territory or possession of the United States of America wherein such property or interests are situated; and

B) In the case of nationals, corporations and associations of the United States of America, the right to acquire, own and dispose of such property or interests shall be upon conditions not less favorable than those accorded to nationals, corporations and associations of the Italian Republic within the state, territory or possession wherein the national of the United States of America is domiciled or under the laws of which the corporation or association of the United States of America is created or organized. Should, however, the laws and regulations of each state, territory or possession impose no limitations to the acquisition, ownership and disposal by nationals who are not residents of such state, territory or possession or by corporations and associations which are not created or organized under the laws of such state, territory or possession, such nationals, corporations and associations will be accorded in Italy the same treatment as that accorded, or which may hereafter be accorded, to nationals, corporations and associations of the Italian Republic.

-II-

The nationals, corporations and associations of either High Contracting Party shall be permitted to acquire, own and dispose of real and other immovable property or interests therein within the territories of the other High Contracting Party on conditions not less favorable than those which are or may hereafter be accorded to nationals, corporations and associations of such other High Contracting Party. The aforesaid provision, however, shall not apply in the case where the laws or regulations of a state, territory or possession of the United States of America impose limitations to the right of acquisition, ownership and disposal of such property or interests by nationals who are not residents of such state, territory or possession or by corporations and associations which are not created or organized under the laws of such state, territory or possession. In that event the Italian Republic shall not be obligated to accord to the nationals of the United States of America domiciled in such state, territory or possession or to the corporations and associations created or organized under the laws of such state, territory or possession a treatment more favorable than that now accorded by such state, territory or possession to nationals, corporations and associations of the Italian Republic.

The American

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The American negotiators stated that they would study these drafts, and also transmit copies of them to their Government.

Article XXVII

The Italian delegation, referring again to the objections it had made to the inclusion of this Article in its present form in the treaty, stated that if the U.S. Government believed that reference to the treaty was technically necessary, the Italian Government would prefer that such reference should be made applicable to specific provisions included in the treaty with such specific provisions rather than in a separate general article such as the present Article XXVII. The American negotiators agreed to bring this suggestion to the attention of their Government.

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ROME

1979

FOR DUNN AND SETSER

DEPARTMENT OF STATE
Le/T
OCT 9 - 1947
TREATY BRANCH
OFFICE OF THE LEGAL ADVISER

Control 1506

Oct 7, 1947

6 p m

Ref EMBTEL 2863, Sept 20

Article V, para 2. Pending receipt further information Italian objection timing applicable exchange rate, DEPT reaffirms adherence rule stated in para. Such rule economically justifiable as maintaining parity of financial value, and equitably justifiable as protecting former owner from currency depreciations that in effect deny him just and effective compensation.

Article V, para 2. Ref term QUOTE without interference UNQUOTE. Term desirable for emphasis and standardization. Treaty makes rule subject appropriate laws and regulations; and substantive interests of Govt adequately safeguarded by later exchange control provisions. You authorized, however, offer Italians following in successive order, as necessary: (a) substitute word QUOTE freely UNQUOTE; (b) insert QUOTE unreasonable UNQUOTE before QUOTE interference UNQUOTE; (c) delete term entirely. This completes preliminary comment Art.V,para 2.

Ref EMBTEL 3003,

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Lacy D. Wright, EUR/WE
4/16/79 - SMFoggie

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1979, 10/7/47 to ROME
Ref MIDTEL 3008, Sept 30.

Article XI, para 2. Not intended underwrite liberty transmit military secrets. Authorized if necessary, however, add following para protocol:

QUOTE Provisions para 2, Art XI, shall not be construed affect measures taken by either HCP to safeguard military secrets UNQUOTE.

If QUOTE military secrets UNQUOTE unacceptable, substitute QUOTE secret military information UNQUOTE, or QUOTE confidential military information UNQUOTE.

Article XIII, para 1. Authorized substitute QUOTE training or service in the armed forces UNQUOTE for QUOTE military or naval training or service under the jurisdiction UNQUOTE in third and fourth lines. Make corresponding changes in para 2, as follows: Substitute QUOTE armed UNQUOTE for QUOTE military or naval UNQUOTE in second and third lines; delete QUOTE military or naval UNQUOTE in fourth line; substitute QUOTE service in the armed forces UNQUOTE for QUOTE military or naval service under the jurisdiction UNQUOTE in fifteenth

and

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1979, 10/7/37 to ROME

and sixteenth lines; substitute QUOTE the armed forces UNQUOTE for QUOTE the military or naval service UNQUOTE in nineteenth line.

Article XIII, para 2. Term QUOTE within reasonable time UNQUOTE in seventeenth line serves administrative convenience by preventing draftee delaying option until last minute when substantial time interval exists between call-up and actual commencement active service under Italian law. If such interval brief but still sufficient (say three or four days) to give draftee real opportunity make such option during such interval, you may delete cited term if that would secure Italian acceptance. If deletion made, minutes should show above explanation. If such interval technically non-existent or virtually so, draftee must still be given reasonable opportunity serve in forces own country, and DEPT will await EMB suggestion re formula to reconcile draftee's right with orderly military administration.

Article XVIII,

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Article XVIII, para 3. For your information, further consideration being given propriety retaining such cartel provision, which was provisionally proposed Italy draft for first time in bilateral commercial treaty. Wilcox recommends its omission unless can be revised to avoid embodying multilateral commitment (i.e., stipulation of a general economic policy that goes far beyond trade between US and Italy) and to avoid exceptions (such as for Webb-Pomerene Act). Later instructions will indicate whether para should be withdrawn or whether revised version should be substituted. In either event, US opposition to cartels in all their manifestations remains unaffected and will continue to be pressed through appropriate actions and instruments, such as ITO Charter.

Ref EMBTEL 3033, Oct 1 (delayed in transmission).

Article XXIII. Authorized substitute QUOTE for persons who are nationals of any third country UNQUOTE for material preceding QUOTE together UNQUOTE in item (A). Other part Italian nationality suggestion covered item (B). DEPT assent Italian suggestion without prejudice US interest humane

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1979, 10/7/47 to ROME

humane treatment stateless persons, including transit privileges those legitimately en route US.

DEPT approves EMB's reluctance re unnecessarily elaborating immigration laws proviso. However, since transit closely akin entry (Art.1, para 1), EMB may appropriately cite immigration proviso as qualifying transit of persons, as allowing barring undesirable and dangerous characters. Difficult state concisely exact scope police laws exception. While it does apply whole treaty, caution required in finding occ[illegible]ts applicability to other than international trade [illegible]ns. For EMB information, note that reservation [illegible]t (repeat not) to substance of police laws, but r[illegible]e action necessary to secure their enforcement. That is, such laws cannot in substance contravene treaty or discriminate contrary to Treaty, although administratively they can be applied differentially provided no arbitrary discrimination results. Compare Art.XXXVII, clause (G), NY draft ITO Charter.

Article XXIV,

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[illegible]

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1979, 10/7/47 to ROME

Article XXIV, para 1. Authorized add suggested new clause re national treasures, as in China Treaty.

Article XXIV, para 3. Term QUOTE consultation UNQUOTE in clause (B) has becoms fairly standard in bilateral treaties and is extensively used in ITO Charter. It does not (repeat not) imply at all that right join genuine custom union contingent on prior consent other HCP. If understanding to this effect in minutes unsatisfactory Italians, you are authorized substitute QUOTE exchange of views UNQUOTE.

Final clause. Authorized insert QUOTE both equally authentic UNQUOTE after word QUOTE languages UNQUOTE.

Full power for Dunn sign Treaty in process preparation.

LOVETT

ACTING

CP:HWalker:met 10-7-47 FN OIC Le/E Le/T SE

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